

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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states, you are going to lose a sense of place and a sense of community that's very vital to the economic well-being of our smaller towns in particular. And so, I am going to ask Senator Landis to respond to that if he has the opportunity, and I think he may be getting the answer now. I did talk to him privately about it, and I think he is aware of my concern. But that is my interest. Is the Community Reinvestment Act provisions that we passed in the state interstate banking law, are they wiped out by this? Do we have any options? Has the federal government preempted us so totally that there is nothing to do and we're just, basically, opening the door and letting anybody walk in that can? I don't know what restrictions we have in place or what the Director of Banking can do to try to ensure that there is protection for communities when an out-of-state entity comes in and purchases one of our local banks. With that, I'd yield and ask Senator Landis to respond to those concerns.

SENATOR CROSBY: Thank you, Senator Wesely. Senator Landis.

SENATOR LANDIS: Senator Wesely raises an interesting and fair question. All I can tell you is that LB 351 does not alter or diminish the CRA requirements that exist now. To the extent that they exist and preexisted the LB...the existence of 351, they are still in place. To the extent that they have been made moot by an preemption on the federal level, that was made...that's the effect of Riegle-Neal and is not in LB 351. We don't have a lot of ability to dictate community reinvestment. We haven't exercised much authority. We've exercised a little authority and I am trying to determine the status of that right now. All I can tell you is that we do not affirmatively in 351 throw away tools to compel community reinvestment, which we have the right to, but we choose not to exercise or that repeal from existing law. We are where we are on community reinvestment in other sections of law than in LB 351. It doesn't mean that there isn't a reason to be concerned. Unfortunately, this is likely to be one of the places where the federal government is the only sovereign able to write the kinds of rules that Senator Wesely would like to have. And I...the bill is in a shape to pass and I hope it will so...will do so today.

SENATOR CROSBY: Thank you, Senator Landis. Senator Wesely.